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NOTES AND ABSTRACTS

The Development of the American Proletariat.—The United States is a country especially adapted to the development of capitalism. It is rich in gold, in silver, in fertile land, in minerals. It offers to capitalism the weapons with which to conquer the world: opportunity for the development of anorganic technique and of transportation and commerce, and a market as much more important than a European state as the latter is than a mediæval city with its territory. It is, in short, the ideal land for capitalistic development.

The people, too, leaving behind them their Old World traditions, were by no means opposed to the rise of capitalism.

For centuries labor was scarce, and therefore dear. This fact compelled employers to give particular attention to the use of labor, and to supplant it so far as possible, by labor-saving machinery. Thus the necessity for the highest technical perfection existed to a greater extent than it could ever do in an older country. And then, when the highest economic and technical organization had been achieved, great crowds of immigrants poured into the country—half a million a year for the last decade. And, indeed, nowhere else is capitalistic economy (*Wirtschaft*) so greatly developed as in America.

Nowhere else is the desire for gain, for the making of money for its own sake, so entirely the starting-point and the goal, alike, of all undertakings; and in all this, capitalistic interests are served.

In the amount of accumulated capital the United States is, in spite of its proclaimed "youth," ahead of all other countries. The banking power of the United States (capital, surplus profits, deposits, and money in circulation) is \$13,826,000,000 as compared with \$19,781,000,000 for all other countries. In 1900, \$9,831,486,000 was, according to the census, invested in manufactures. The concentration of capital has, in fact, reached a degree which Karl Marx, in the next to the last chapter of his *Capital*, has designated as very near to the *Götterdämmerung* of the capitalistic world. There are, according to Moody (*The Truth about the Trusts*), seven large trusts, whose combined capital amounts to \$2,662,700,000. These seven trusts, moreover, control 8,664 concerns, so that the control of \$20,379,000,000 is in the hands of a few men. The power of money is best seen, perhaps, in the composition of society. There is no feudal aristocracy, but in place of it are found the great magnates. The growth of capitalism is shown, further, in the growth of trade and commerce, at the expense of farming. From 1880 to 1900 the proportion of the population of the United States engaged in agriculture sank from 44.3 per cent. to 35.7 per cent. (Germany, 36.12 per cent.); whereas the proportion engaged in trade and commerce rose from 10.8 per cent. to 16.4 per cent. (Germany 11.39 per cent.).

The United States is a land of cities—more correctly speaking, of large cities. Nearly one-fifth of the total population—18.7 per cent.—live in cities of 100,000 or over. This percentage is larger than in any other country in the world, with the single exception of England. It is a city-land in a deeper sense, too. The European city is usually an organic growth—is only a large village. The American city, on the other hand, is an artificial product, which knows no organic growth. It is a real "city," in which, as Tönnies would say, all traces of community (*Gemeinschaft*) have disappeared and pure society (*Gesellschaft*) is crushed. In Europe the city is a reproduction of the country, with the character of the country; but in the United States, on the contrary, the country is, at bottom, only an urban settlement which is lacking in cities.

A further characteristic of the capitalistic basis of society in the United States is the great contrast between wealth and poverty. In 1890 (according to

Spahr, Brooks, and Hunter) 54.8 per cent. of the entire private wealth of the nation was in the hands of 1 per cent. of the families of the nation, whereas 50 per cent. had no property.

There is a peculiar "American spirit" which indicates the high development of capitalism in the United States. It is expressed in the tendency to take money value as the standard in evaluation of either people or things. The idea of purely qualitative value seems to die away; so that there is a lack of appreciation of that which is merely beautiful or artistic, which is never quantitatively definable, measurable, weighable. In order that a thing may have value, under such circumstances, it must be useful and pleasing, or else expensive. "The fifty-thousand dollar Rembrandt," or "Carnegie's hundred-thousand dollar yacht," are phrases representing ordinary means of identification. With persons it is, naturally, possessions and income that give a basis for evaluation—since personal and individual value are overlooked. This tendency to replace all ideas of quality by ideas of measurable money value leads to overestimation of quantity, as such—"a tendency to mistake bigness for greatness," as Bryce puts it—an undue regard for size, whether it be expressed in the population of a city, the rapidity of an express train, the height of a monument, the width of a river, the frequency of suicide, or what not. This "mania for bigness" is not attributable to the extent of the country of the modern American. The Chinese, the Mongols on the Asiatic highlands, the Indians of America do not have it. Their ideas of bigness have cosmic character produced by the endless, starry heavens, by the unbounded prairies, and the striking feature of these ideas is the immeasurableness represented. Evaluation by numerically measurable bigness could not have become imbedded in human thought, save by means of money in capitalistic application—not by means of money as such, as Simmel erroneously holds. Of course, the great extent of American territory has aided this peculiarity; but it was first necessary for the numerical sense to be developed. As a result of the valuation of quantity alone there must be a comparison of at least two phenomena, in order that the higher value may be given to the larger—the successful one. Thus the idea of bigness must have, as a concomitant, the high estimation of success. To be successful means to excel others, to be more important, to accomplish more, to have more, than others: to be greater. That success will be most highly esteemed which may be expressed in figures: money success, riches. This sort of estimation is noticeable in the attitude of the American toward sport. His sole interest is as to who will win. The tension of this interest is increased by betting—which reduces sport to a money basis.

The ideal of the American is not to live his life beautifully, not to develop his personality, but to achieve success. Hence the hurry and unrest, and the unscrupulous competition everywhere. This develops a demand for elbow-room which is expressed in a *laissez-faire* doctrine—not because of any abstract principle of noninterference held by the framers of the Declaration of Independence, but because it is an aid in the struggle for success.

To be successful means, to the average American, to be rich. This explains why he turns his attention especially to economic interests, rather than to political interests, as in Europe—though more in the Romance countries and England than in Germany. In no other country in the world are the masses so deeply interested in speculation; in no other country have the people enjoyed, to such a degree, the fruits of capitalism.

If it is true, as I myself have always claimed, that modern socialism follows as a natural reaction against capitalism, then the land in which capitalism has reached its highest development—the United States—should be the classical land of socialism. But it is said, in Germany and in America, by socialists as well as by their opponents, that it is a land with no socialism, in spite of its highly developed capitalism. There are, however, two socialistic parties, which are, moreover, by no means composed of a few disgruntled Germans who have no following, as has been claimed. These two parties cast 403,338 votes at the last presidential election. This means about as many

votes, in 1904, as were cast in Germany in 1878. The number of workmen of socialistic tendencies is, however, much greater than the number of votes cast, whereas in Germany the opposite is true. Nevertheless, it cannot be denied that the statement that the American workman is non-socialistic is, in large measure, true. The socialists cast only about $2\frac{1}{2}$ per cent. of the total number of votes cast for President; and this proportion is inconstant, varying from year to year. The organized workmen do, however, undertake to influence legislation—developing an *Arbeiterpolitik*.

In saying that the American workman is not socialistic I mean that he is not a Marxist. The following points will make my meaning plain: (1) The American workingman is not dissatisfied with the existing order of things. "Live and let live," his fundamental maxim, leaves no ground for a "class-consciousness" like that of the European workingman. (2) The American workman identifies himself with his country and believes in its mission and in its greatness. The characteristic *Staatsfeindschaft* of continental socialism is lacking. (3) The American workman is not opposed to the capitalistic system, as such. The identity of the interests of capital and labor is brought forward by many labor leaders. The workingman himself, moreover, is filled with a desire to succeed, and aims to earn as much as he is able. Hence he is willing to assume the risk of accident rather than use protective devices which hinder his work. For the same reason there is little attempt to restrict output, to object to piece-work, or to oppose improvements. This intensity of work is, indeed, nothing else than an expression of the capitalistic tendency of the workingman himself.

The business spirit governs the workmen even in their organizations. The American Federation of Labor, to which more than four-fifths of all the organized laborers of the country belong, seeks to monopolize the trades included in the organization, without regard for the proletariat as a whole, nor for the lower stratum of unskilled labor. This is the exclusive tendency of a guild, and brings about a vertical division of the proletariat, thereby preventing its being united in a single effective class. The "alliances" between the monopolistic trade-union and the monopolistic employer for mutual exploitation of the public, show the most notable example of this business policy. These trade-unions, being of a piece with capitalism, may well be termed capitalistic, and set over against the socialistic unions, which though they may suffer in point of immediate success, never for a moment lose sight of the class-movement which is directed against capitalism.

The American laborer is, to be sure, opposed to the employer as long as there is any question as to the conditions of labor; but he is ready to stand shoulder to shoulder with the bourgeois who will assist him in this struggle. There is not any specifically proletarian-socialistic consciousness of opposition, as in Europe. In Germany it is the minority, and surely not the élite, of the workmen who work with bourgeois social reformers, whereas the large majority of organized labor is in strong class-opposition to all bourgeois "friends." In America the reverse holds.

It may be said, then, that in the sense of the word as here explained, there is no socialism in America.

The political position of the workingman.—As public life becomes more complex in modern states and the constitution becomes more democratic, it grows ever more difficult to present political ideals excepting through party organizations. This holds especially for the United States—the one great nation with a really democratic constitution. There are also a great number of elective offices, including not only the members of legislative bodies, as in European states, but also—and here is a most important point—almost all the higher administrative officials and also judges. As this is the case with national, state, and local officials, the conscientious citizen could spend a good part of his time upon elections. When, in addition to these conditions, the immense size of many of the states is taken into consideration—necessity for accord, in order to avoid utter confusion, being thus emphasized—it will be seen that

the voter cannot be left to his own devices, but that there must be persons who make it their business to seek out candidates, to organize the tickets, and to conduct the elections. The business of the politician is important and insistent, necessitating the development and organization of the election machinery, and the raising of large sums of money to keep it going. This need of large donations to the political party is a factor which adds to the difficulty of organizing a workingman's party. Another factor is this, that a new party must carry on a bitter struggle with the older parties which are in power and which have their party organizations complete. The sources of a party's funds are: (1) voluntary subscriptions by rich supporters of the party, and popular subscription—as in Germany: (2) assessments levied on office-holders; (3) collections from candidates for office. The "election uses" to which these funds are put are, frankly, the purchase of votes for the party candidates. The votes of negroes, of ignorant immigrants, and of the floating population in large cities are openly for sale and are bought openly. Naturally, the great majority of the votes even of the poorer classes are not to be bought outright thus. But there are other ways: helping the needy in time of trouble; lending a dollar here, procuring free transportation there; providing fuel in cold weather; giving chickens and turkeys at Christmas; medicine for the sick; burial expenses, or a coffin at half price, perhaps. The political "worker" bribes constituents in other ways, too: getting permission for a street stand; arranging for a saloon license; getting the building inspector to overlook some infringement of the building ordinances, and the like. These things the machine can do because it has power over the officials it has put into office. Another source of strength for the party organization is its power to punish the man who fails to support it: if he be an office-holder, he is removed; if he be a manufacturer, his factory receives especial attention from the factory inspector; if he be a saloonkeeper, he loses his license for any slight infraction of the ordinances of which he can be found guilty; or if he be a taxpayer, the tax assessor will find that his assessment is too low.

The very strength of the party is the source of greater strength. The office-seeker must belong to a party which is strong enough to win and so have offices to distribute. It would be hard to overestimate the part played by the spoils system in the development of the party system as it exists in America. It is especially noteworthy in connection with this explanation of the very slight development of the socialist movement, for the latter cannot make headway against it. It is not hard for a workingman to be a social democrat if he knows absolutely that he would never get a high office even if he belonged to the party in power, and that he will not lose his position as postman or policeman even if he is a socialist. In America even the smallest position goes to the party man, and especially to the party worker. Labor leaders, too, are won over to one party or the other by means of offices. In this way influential leaders are made "harmless." Imagine a man declaring himself a socialist and demanding "the overthrow of the existing order" when he is confronted with the possibility of getting a good position. The development of a socialist party is hindered by the loyalty to party, thus developed, and by the disappearance of possible socialist leaders into offices offered to them by one of the two great parties.

Besides these personal motives which induce men to belong to one or the other of the great parties, there are ideal interests, namely, the accomplishment of desirable reforms, or the doing away with unbearable evils. In America the people are able to affect public conditions directly—not having to wait until they can gain a majority in parliament, as is the case in European states. In European parliaments the representatives of minority parties can make fine speeches, but can accomplish nothing. The German social democrat reads the speeches of the representatives of his party, and though they have no weight whatever and might as well never have been uttered, he rejoices that "he's giving it to them again." This is because he lacks "political sense"—for the immediate winning of influence and power. This lack of political sense might,

for the sake of politeness, be called "idealism." It is most highly developed in the land of "poets and thinkers." This is why the Germans naturally develop minority parties. Just the opposite is true of the Americans. The democratic constitution, which gives all voters the power of electing judicial and administrative, as well as legislative, officials, has centered attention upon the former, so that the houses of Congress do not play nearly so great a rôle as do the parliaments of European states. Results are much quicker according to the American method. American workingmen are able to defeat a governor or a judge who has earned their disfavor, by giving their influence to his opponent. This is much more effective than is the German's power of sending an orator to parliament. The price of the power of the American is loyalty to one of the great parties, for they can accomplish something because of their size.

This very size of the great parties is, again, a factor in their favor; for the American's feeling for bigness leads him to develop a majority politics. The American cannot bear to belong to a party which never wins. The man who belongs to a minority party cannot take part in the various celebrations of election day, for he is out of it. Again, the respect for size has led the American to believe that the majority must be right—"the fatalism of the multitude," as Bryce puts it. Connected with this respect for the large voting mass, as such, is the gregariousness of the American. This disposition to go with the multitude and do as they do is bound up with a strong feeling of faithful adherence to the party when it is once selected—"fanatical party loyalty," Ostrogorski calls it. This is all the stronger when the object of loyalty is a "great" party of which one may be proud. It seems to me that Ostrogorski is right in noting, in this connection, that the American is poor in natural associations, and therefore joins the great organizations of the older parties with all the longing of an isolated person.

Thus we see that there are many factors—both material and ideal—which work for the same end, namely, to keep the great parties large and powerful, and thereby insure their political monopoly. They have this monopoly because they are the great parties; and they are the great parties because they have their political monopoly.

The leading parties do all in their power to prevent the growth of third parties—even to the extent of uniting for a short time in order to crush them. Doubtless the tragic fate of all third parties has added to the difficulties which must be met by any third party which seeks to take its place with the great parties. It may well be asked, though, whether these third parties have ever had the inherent strength of a socialist party, with a definite aim and with unified interests. The Republican party rose from the ranks of the third parties, and has become one of the two leading parties. It is true that party discipline, party organization, and the "machine" had not reached a state of development at that time which could give such strength as would afford the political monopoly now enjoyed by the leading parties. And yet, if that party won with the platform, "emancipation of the slaves," this party should be able to win, even under more difficult conditions, with the mightier and more inclusive platform, "emancipation of the proletariat." If it were possible to arouse the class-consciousness of the workingmen, it seems to me that even a complicated machine and the long-existing electoral monopoly of the great parties could not prevent its triumph.

Another point of strength of the great parties is their character, which makes it easy for the workingman to belong to them. There is little to choose between the principles advocated by them. Their only struggle is for power.

Just as the parties represent no fundamental political differences, so they represent no particular social differences—classes. The "ruling class," which in the northern states is Republican, is Democratic in the southern states. The laboring class votes according to nationality—the Irish being Democratic, as a rule, and the Germans, Republican—or according to the political bias of the neighborhood in which they live. There is no definite line of division, and so workingmen belong to either of the leading parties, and neither is more a party

for workingmen than is the other. The consequent competition between the two parties for the labor vote works advantageously for the workingman. Besides this, organized labor has adopted a system of questioning candidates who seek its support, as to their attitude toward certain policies advocated by it. The anti-socialistic partisans of this so-called Winnetka system think that they have herein a means of preventing the growth of a distinct socialist party, and yet of accomplishing reforms in the way of bettering the conditions of labor by making use of the existing parties.

There are still other reasons for the absence of socialistic tendencies. One is the "constitutional fetish-worship" of all Americans, including the laboring classes. From early childhood patriotism is instilled into the American, and in the schools he is taught respect and reverence for the constitution. The sovereign people—and it alone—has the power to alter the constitution. This idea is dominant in the public life of America. The veriest proletarian hears of the "sacred rights of the people," and shares in the sovereignty. He is the people; and the people is the state. As a consequence, there is in every individual a feeling of unlimited power; and, however imaginary this may be, it is an undoubted reality in his consciousness. The citizen has deep faith in the power and majesty of the people; and though he seldom does anything toward removing the evils of public life, he is sure that he can do so if he only wills it. This faith keeps alive a love of right and a hatred of wrong.

To this must be added another characteristic of the political life of the United States, namely, public opinion. At bottom, this is the real, sovereign power which governs the judicial as well as the legislative and executive bodies. The supreme power, then, is the will of the sovereign people, whether expressed at the ballot box or only in the form of public opinion. The efficiency of public opinion is naturally increased by the shortness of the terms of office. Thus the ordinary laborer, who is formally equal in every way to the richest trust magnate, and who is conscious of the power behind him of the mass of his fellows, has an intensive feeling of his share in the direction of public life. The poor man, since he himself forms public opinion, can readily enough imagine that he has the deciding voice in the conduct of the government. Hence public opinion has always—or at least until very lately—been sympathetic toward labor interests. Should not the workingman have joy and pride in a state where the full political and social rights of a citizen are assured him? This would not suffice, of course, if he did not also have the means of material existence.

The economic condition of the laborer in the United States.—It is an especially difficult task to present the economic condition, because of the lack of data on which to base conclusions. The United States has the largest number of household budgets of any land, but such budgets are not always typical and are not always comparable, class with class, with budgets of other countries. It will be easier, though still a very difficult problem, to compare wages.

A comparison of average wages in various industries in Germany and in America (1900) shows that wages in the United States are two to three times as high as in Germany. There is hardly a single instance, among the cases investigated, where the comparison shows the American wages to be less than twice those in the same trade or industry in Germany; in numerous cases they are threefold; and in certain, though probably not typical, cases they are fourfold. Probably this formulation could be made: American wages are, excepting in the South, 100 per cent. higher than in the best paid regions of Germany, and surely 150 to 200 per cent. higher than in the poorly paid districts of Germany.

In order to be able to compare *real* wages, however, it is necessary to consider differences in prices as well as differences in wages.

Prices in the United States are influenced by two chief factors: the "colonial character" of the land, and the high degree of development of capitalism. This latter is especially noticeable in the high degree of development of the technique of production and of transportation.

In the first place, the colonial character of the land is responsible for the

high value of labor, as has already been pointed out. From this it follows that all wares and products which represent much labor are dear. On the other hand, the colonial character of the country leads to cheapness of land, and of wares in the production of which land is an important factor. Cheap land means low house rent in the cities as well (save in the constricted city of New York, where conditions are peculiar)—except in so far as expensive labor is expressed in the building.

In the second place, the highly developed technique tends to make all products of industry cheap.

From this it may be deduced that living, in America, is dearer as more personal service is required and as more luxurious objects are demanded—that is to say, comparatively speaking, the higher the income is. It is difficult to compare the value of dollars and marks. A New York family with an income of \$20,000 will probably not live more luxuriously than a Berlin family with an income of an equal number of marks; one with \$10,000, than a Berlin family with 15,000 marks; and so on down to a point where a dollar will buy as much as three or even four marks—as in the case of the workman.

In the first place, as regards the dwelling, it should be said that the German workman, in the large cities and in industrial regions, lives, as a rule, in flat buildings—or tenements, to use the generic term; whereas the American lives, as a rule, in houses of one or two families. With the exception of New York, Boston, and Cincinnati, the tenement is hardly known even in large cities; and the population lives in one- or two-story cottages, which trace their origin directly to the log cabin, and which even today are still built of wood in most American cities. This isolation of families doubtless has an important bearing upon the development of the character of the people; and it may be argued that the slow growth of collectivistic movements in America (and in England!) is connected with this cell-like system of living.

On first sight it would seem, from the budgets of workingmen's families, that the dwelling costs more than in Europe. This is not the case, however, when one considers the far better condition of the American dwellings. To be sure, the American laborer pays three or four times as much for his dwelling as does the German, but his dwelling is notably larger and more comfortable. If one compares the cost of comparable dwellings in Germany and America—of a single room, for example—it will be found that the average rent paid is lower in America. When we introduce changes necessitated by the admission that the rooms in American houses are smaller—and perhaps other concessions—we can still maintain that for an equivalent dwelling the American pays no more than the German and, indeed, usually less.

Heating, lighting, and furnishing must be included in the cost of the dwelling. The laborer's chief illuminant, petroleum, is far cheaper than in Germany. The export price in New York is about half that in Mannheim or Breslau. Coal costs about the same in the two countries. Furnishings are probably a little cheaper in America, even when the quality is considered.

The prices of provisions are especially difficult to compare, owing to quantities, qualities, and tastes. The American eats meat, fruit, cakes, and white bread; the German eats potatoes, sausage, and coarse rye bread. Consequently a comparison of the prices of meat and potatoes in the two countries would not prove much. Moreover, the price of a given commodity in a given district is subject to great variation according to quality. This is especially noticeable in America between the cheapest and the dearest meats—with the advantage, of course, in favor of the less well-to-do among the population. The result of statistical investigation shows that necessities cost about the same in Germany and the United States. Meat is about as dear in one country as in the other; and whereas some articles, as potatoes and rice, are dearer in America, others, as flour and lard, are much cheaper. Thus the workman's family can buy about the same amount of provisions in America as in Germany for the same outlay.

Clothing presents an even more difficult problem. No one has gone

into this subject deeply enough to give us the aid we should like to have. Indeed, the price of clothes is not determinative. "A suit," even when the quality is limited to "blue cheviot," may cost 30 marks or 300 marks. In certain department stores in the large cities of Germany extremely cheap clothing is to be had. Nothing so cheap can be bought in America; but then no one in America, not even a laborer, would buy such trash and shoddy. If articles of similar quality are compared, it will be found that shoes are cheaper in America, but linen, suits, etc., are dearer. On the whole, though, if one may judge from such statistics as are available, it may be said that the American laborer does not have to pay much more for clothing than does the German.

If, then, the American workman receives twice or three times as much in wages as does the German, and has to pay about the same as does the latter for the necessities of life, what does he do with his surplus? There are three possibilities: (1) saving, (2) living better by devoting proportionately more to the necessities of life (dwelling, food, and clothing), or (3) spending more on luxuries. The American seems to make use of all three of these possibilities, but especially of the second. He lives much better than does the German. He has, on an average, four rooms to his dwelling, whereas the average for the German is less than two rooms. Moreover, the furnishings of the American laborer's house are much better than the German's, giving, indeed, the appearance of a middle-class dwelling in Germany. The American consumes almost three times as much meat, three times as much flour, and four times as much sugar as the German. In short, the American workingman, as regards consumption of provisions, is more nearly comparable to the better middle classes in Germany than to the working man. The same is true as regards clothing. Expenditures for clothing are absolutely, and also relatively as regards income, much higher than in Germany—being, absolutely, three times as much, or, relatively, one and one-half times more, than the German.

After these increased expenses for food, clothing, and dwelling, the American workingman does not have much of his income left—about one-fifth, as compared with one-fourth for the German. This extra saving goes for drink to a much larger extent in Germany than in America.

The American laborer is thus seen to be in good circumstances. As his dwelling is a home, and not merely a room in a tenement, he is not *compelled* to go to the saloon. He is well fed, not depending upon potatoes and alcohol for nourishment. He is well dressed, and so is not distinguished by his clothes from the ruling classes. What wonder that discontent with the "existing order of society" finds no place in his heart—especially as his high standard of living is seemingly assured and, on account of the economic advance of the last two generations, seems lasting. The number of workmen has steadily increased, as have average wages.

Year	No. Laborers	Av. Wages
1850.....	957,059	\$247
1870.....	2,053,096	387
1890.....	4,251,535	445

As the material position of the workingman has improved, not in spite of capitalism, but by means of it, he has come to admire the wonderful power, and to be influenced by the idea of its greatness. To this was added the consciousness that the United States was outstripping all other countries in the progress—the capitalistic progress—it was making. This materialism has made him the cold, calculating business man, lacking in ideals, that we know today. Roast beef and apple pie are fatal to any socialistic utopia.

The social position of the workingman.—Herein the American is again greatly superior to the German. Freedom and equality are in large part realities, and not mere empty phrases, in social as well as in political relations. This is

not so easily shown by statistics, but the statement must rest upon impressions and ideas that do not admit of exactness; though we must not underestimate little things. To see the workmen on the street is to realize immediately that they are a different sort from the German workmen. They are citizens. There is no class stigma recognizable, as in almost all European workmen. They meet other men as equals. The cringing and fawning to the "upper classes," as seen in Europe, is utterly unknown. The workman is not everywhere reminded that he belongs to a "lower" class. Not what a man is, and still less what his parents were, but what he is able to accomplish, is what fixes his worth. From this it follows that work, in its abstract form as work, is honored; and the worker is respected, although, or better, because, he is a worker. Naturally the laborer feels quite differently, under these circumstances, from what his fellow does in a land where one does not count as a *Mensch* unless he be a baron, or at least a doctor or an *Assessor*.

This air of equality is to be noted, not only in political and social life, but also in the relations between employer and employee. The former is not master of the latter. As workmen were scarce in the early days, it was necessary for the employer to have a courteous, obliging attitude toward his men, and this was further aided by the democratic atmosphere of the country. It is a peculiarity of the American manufacturers that they neglect to furnish even the most simple protective devices, that they take no trouble whatever about good appliances and conditions which are objective, external; but are quite ready to do anything which the workman could regard subjectively as desirable—such as supplying baths and lockers, regulating the temperature in workrooms; in short, arrangements for the comfort and well-being of the employees. This pleases the men and gains their support for the capitalistic system, though it, at the same time, is exploiting them mercilessly.

Furthermore, the workingman has been brought to have a direct desire for the success of capitalism through identification of his interests with the interests of capital—not so much through profit-sharing, though this is to be found in every form in the United States, as in many smaller ways. In the first place, the employer does not reduce wages when a piece-wage has once been agreed upon—as usually in Europe—and, consequently, the workman is eager to work, and, because of the possibility of very high earnings, is well disposed. A second means lies in the system of "suggestions and complaints," by which the workman is led to take an interest in possible improvement in the work because the employer gives him a share in the resultant gain. In the third place, the interest of the workmen is attracted by having them hold stock in the company. This brings them into the business, attaching them to the system, awakening in them the desire for gain and the fever of speculation; and, secondly, provides a market for stocks, sometimes thereby staving off a drop in prices, and sometimes effecting a rise in the stock market. "The multitude of petty shareholders are led more and more to consider economic questions from the employers' standpoint" (Ghent).

Nevertheless, capitalism, even in America, circumscribes the workman closely and holds him in slavery. What has made his lot easy however, has been the possibility of his leaving at any time. The possibilities of rising in the world have been far greater than in Europe, owing to the newness of the society, its democracy, the slight differentiation between employer and employee, and many other factors. A further possibility, however, which was embraced by hundreds of thousands and millions in the past century, was the emancipation from the restraints of capitalism made possible by the distribution of free homesteads in the West. I believe that the explanation of the peculiarly satisfied attitude of the American workman lies above all in the fact that men with sound bodies could become independent farmers with little or no capital, by taking up free land. In two decades, 1870 to 1890, a new region, twice as large as the German Empire, came under cultivation. This is due to migrations of the population from more thickly populated regions of an industrial character toward the unpopulated free land; whereas in Europe the movement is from

agricultural toward urban and industrial districts—as is, indeed, the case in the eastern states of America to an ever-increasing extent. That this movement toward the free homesteads of the West is closely connected with the development of capitalism, and not with immigration, is shown by the statistics of the increased number of homesteads taken up in years of economic depression—evidently by the “industrial reserve army.” For example, the number of acres in homesteads taken up in 1877 was something over two millions; but rose to six and eight millions in 1878 and 1879, the years of an industrial crisis, although the immigration in 1878 was less than it had been since 1863.

Besides this actual migration, there was the consciousness that he could, at any time, become an independent farmer, which must have given the American laborer a feeling of security and calm which the European laborer does not know. It is easier to bear a burden if one feels that he could be free if he wished it. The possibility of this choice between capitalism and non-capitalism deprives all anti-capitalistic agitation of its weapons. With the disappearance of free land, however, this possibility disappears.

In conclusion, I would point out that all the factors, which have prevented the growth of socialism in the United States up to the present are on the point of disappearing, or of being changed into factors exerting their power in the opposite direction; and that consequently socialism will, according to all indications, reach its full development in the United States within the next generation.—Werner Sombart, “Studien zur Entwicklungsgeschichte des nord-amerikanischen Proletariats,” *Archiv für Sozialwissenschaft und Sozialpolitik*, Vol. XXI, Nos. 1, 2, and 3. H. W.

Labor Legislation in France.—In 1901 M. Millerand, the minister of commerce, appointed a commission to codify all the French laws relating to labor, specifically charging it to make no changes in the existing laws except where needed to eliminate conflicts. The collection of laws thus made was to be submitted for approval by Parliament. This work required minute and painstaking research, in order that it might be known exactly what the law had to say on the subject of labor. Private compilations of these laws were in existence, and these in a way seemed better adapted for general use, because they could be modified as new legislation was promulgated, which could not be done with a public document. Some could see no reason for a re-enactment of existing laws, and others were suspicious. But the work was intended to show also that the labor laws were merely an incoherent mass without any of the unity pertaining to a code.

The French Revolution enacted no labor legislation. All men were alike to have perfect freedom of contract, and the laws that were passed against the rich were not for the benefit of the workmen as such, but in order to abolish class distinctions. The spirit of the age opposed association, and at that time there was in France little manufacturing and but few persons engaged in any one industry.

The nineteenth century witnessed four periods of labor legislation in France, viz.:

1. The law of 1804 provided chiefly for workmen's certificates or pass-books containing particulars of the laborer's life, occupations, etc.—police measure, useful also for masters to retain in their service debtor workmen. This law was repealed in 1802. In 1806 were created skilled artisans' councils (*conseils de prud'hommes*), then regarded as solving all possible labor difficulties. This law was frequently amended.

2. The revolution of 1848 undertook radical changes. Under the influence of Louis Blanc, one decree fixed the hours of labor at eight in a day, changed four months later to twelve; another decree forbade subleasing labor, on the ground that man is not to be exploited by man and labor is not a commodity. Until the commission of 1901 found that these decrees were still in force, their validity was questioned.

3. Under Louis Napoleon, there was enacted, in 1850, a law regulating apprenticeship, which comes first in the new code; and a law for regulating con-

ditions in spinning and weaving factories, extended in 1856 to velvet manufacture. In 1864 the strike, up to that time criminal, was legalized.

4. The Syndicate Law of 1884 is the workmen's charter. Workmen in association are enabled to direct their own industry, and to take the risks and share the gains of enterprise, if they study the conditions of production. Later, because of the dangerous character of the work, and the presence of public opinion on the subject, special laws were passed for the protection of miners. In 1892 and 1900 work for women and children—and where these were employed with men, for the latter also—was limited to ten hours per day. In 1904 private employment offices were abolished—an echo of 1848, that labor should not be a commodity. In 1895 wages were declared exempt from attachment—a recognition of "the right to live." The law of 1898 provides that in all cases of accident—except when gross negligence is proved—damages and responsibility are divided evenly between workmen and employer.

In the opinion of the commission, all these laws were but fragmentary and did not constitute a code. In its report it therefore suggested needed legislation on subjects for which there was no law as yet voted. A completed code would include the following parts:

I. Agreements in regard to work—the apprentice law of 1851, and labor contracts (decrees of 1848 and selections from the Civil Code). Co-operation in shops is needed, for differences over mistreatment of employees have caused more trouble and strikes than wages or hours of labor. A law in regard to collective agreements, which have worked successfully in some instances tried. The law of 1895 on attachment of wages should be supplemented by provisions in regard to privileges, detention, and fines, as also for participation in profits. The law of 1904 abolishing employment bureaus is included in this part.

II. The regulation of hours of labor, hygiene, and safety is regarded as almost complete in the present laws, to which details may be added as needed. In 1890 mining delegates were appointed from among the workmen themselves to watch over the safety of the work.

III. This division is incomplete, containing as yet only the Syndicate Law of 1884. Legislation is desired in regard to strikes, *bourses du travail*, and workmen's productive societies. The employers protest against arbitration because it would necessitate exposing the details of their business; but this is often done in ordinary suits.

IV. Professional jurisdiction and representation, comprising the modified law of 1806, should be regulated. Millerand's decree of September, 1900, for professional representation showed the need of more syndicates.

V. Insurance. All cases of loss of labor should be provided for—accidents (law existing), stoppage of work (no law), and old age (law has just passed the Chamber of Deputies), and death benefits for widow and children. The French system tends to make this a joint charge on the state, the employer, and the workman.

VI. Precautionary measures (*la prévoyance*) and mutual aid, cheap dwellings, credit societies (already partly voted).

VII. Assistance, although not altogether a labor measure, is chiefly an outcome of labor conditions, and should find a place in the code.

Throughout the whole work the principle of protection of workmen by the state is assumed, in opposition to the Civil Code. Hours of labor, hygienic conditions, compensation for accidents—all is regulated by law; and a person injured cannot, as under ordinary law, settle for a specific amount. He will merely receive an income corresponding to one-half the earning power lost. The individual's liberty is restricted for the sake of the beneficiary. When the first five parts were adopted by the Chamber, April 16, 1905, only one deputy objected to the principle of state interference, which shows that the orthodox school of economics, though strong in the Collège de France, has no representation in Parliament.

English investigations have aroused French interest in the condition of their own working-classes. It is recognized that hygiene is the final authority on the

conditions of work, hours of labor, etc., while statistics, though imperfect, must be followed, e.g., in adjusting the age of retirement. No one can escape the dictates of science. Hence the unanimity with which protection of the workers is approved. But other measures—e. g., syndicates, *bourses du travail*, profit-sharing, strikes, etc.—arouse violent opposition as interferences with the liberty of the employer, who alone, it is claimed, can direct a business effectively; while the workers regard it as their function to participate in the conditions imposed on them. Herein is to be seen the opposition of parties in the future.—Etienne Fournol, "Le code français du travail," *Revue du Mois*, January, 1906.

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Trial and Error as a Factor in Evolution.—Since Darwin, it has been a habit to advance general formulæ intended to cover all forms of development. The value of these formulations is that they show the points of view of the different ages giving statement to the formulæ. The last decade seems to have developed a new formula, viz.: all progress is the result of chance trials, and of a selection from these trials of those that are successful in attaining some end. It seems that man must advance in this way, by repeated trials, and selecting the movements found to accomplish the end in view, feeling about for a favorable condition, and then by continued motion in the most favored condition, or quiescence in the most favored position, the environment determining which of the forms and functions shall survive. Or, to generalize, chance is at the basis of all learning, all advancement, all adaptation.

At the lowest stage, within the animal, there is adaptation from time to time on the basis of successful chance adjustment; there is no learning at this stage. In the next stage comes the retention of successful trials. Advance upward is based on variation in the complexity of the movements. On this theory the essential factor in all development is the selecting agent and the rewards which serve to make one rather than another thing permanent. The selecting agent in the race is environment. If the variation is favorable, it lives; if not, it dies. The experiments of Professor Jennings with the paramecium and Professor Holmes with the blow-fly larva disclose variations and movements that are mechanical equivalents of pain and pleasure. Pain and pleasure as selecting agents are the result of many factors. In the second stage of animal learning the deciding factors are conscious as opposed to the natural forces in the environment; this is the justification of setting off the selecting agent as belonging to a special class or group. To generalize for all groups, we would have: Racial progress is due to the chance variations in the animal structures and have as the selecting agent the environment. There is no learning in the first stage of animal development; in the second stage there is a permanent effect left—hence there is learning.

In the higher animals and man we have the same general process, but added to pain and pleasure are new elements, due to men's living in groups. Some of these are subtle, but their selecting process is in the same way as the cruder selecting agents. If a person departs from the established norm he is either a hero or the opposite. It is not evident what determines the selection; it may be survival or æsthetic appreciation. One thing is quite evident; imitation does not play the important rôle in learning that has been supposed. To be explained in the higher forms is not the persistence of conduct, but the determining factors which select some methods of action and eliminates others; not that the child finally comes to the standard of society, but the method of his approach to this standard. Learning by trial and error differs from learning by imitation in that it makes individual appreciation of results of a movement the essential element, rather than the presence of a similar movement in a neighbor.

The social factors do not primarily initiate, but serve to select factors otherwise initiated. The enforcement of the social law depends, not on precept or example, but upon these vague social forces that are constantly repressing and rewarding departures from the social standards. What is the value of this modern formulation? It enables us to bring the accepted facts of development under a single phrase. The lack of the formula is our inability to analyze and define all

the selecting agents; i. e., the physico-chemical constitution of the organism and the intimate nature of social pressure effective in man. —W. B. Pillsbury, in *Popular Science Monthly*, March, 1906
S. E. W. B.

The Problem of the Unemployed and Suggestions for its Solution.—This problem, hard enough already, is made more difficult by inexact nomenclature. "Unemployed" applies to a heterogeneous mass of men; the only thing in common is that they are out of employment. In other respects they are of infinite variety. Under this term are included the honest artisan thrown out of employment, the casual laborer, the idle loafer, the drunkard, the petty criminal, the tramp, and the sturdy beggar. It is clear that a large portion is composed of those who do not wish to work, and the uselessness, for them, of the ordinary methods of relief must be recognized.

One main object pursued by the Church Army during the last fifteen years has been the reclamation of individuals belonging to the criminal and idle loafing classes—the most difficult of all to deal with; and my experience gained as honorary chief secretary of that society leads me to venture these suggestions. I do not condemn the honest poor. The wilful unemployed is my concern now. We must recognize that he is no monster, but a man with passions like our own. He is not to be treated as one of a mass or herd, but as a person.

Our system of reclamation is carried on by a network of labor homes, each holding no more than twenty-five men, this being a sufficient number for one man to handle. This man is called "father." Personal influence and sympathy are the main points. There is no lack of raw material to fill these homes. Upon arrival at the home the man is given a hot bath, change of clothing, a good meal, and work to do. He signs a formal contract, promising to stay at least two months. The work done does not require skilled labor. The surroundings are kept scrupulously clean; he has a bed of his own. The rules are few, the two main ones being hard work and total abstinence. All attend a simple, short service daily. Work, wages, personal sympathy, and friendship are the main factors, and they are effective. There is no fast line as to how long a man shall stay in the home. When he does leave, the point is to find him employment.

For the temporary relief of unemployed married men we provide work at special depôts in London and the provinces. Many find employment through the homes who do not enter. Thousands of women find employment through a separate department. We do not lay stress on figures, but to show the extent of operations we give these. In 1904 we dealt with 215,000 cases; 43 per cent. of the inmates left the home with permanent positions; 45 per cent. had good prospects; only 12 per cent. were dismissed as unsatisfactory. It is safe to say that 50 per cent. of the inmates are reclaimed from outcasts. Emigration as a remedy for unemployment is used by us carefully.—Wilson Carlisle, in *Fortnightly Review*, December, 1905.
S. E. W. B.

The Unions versus Higher Wages—The unions have (1) stimulated rather than attempted to remove the feeling between the employer and employee; (2) encouraged the theory of a right to ownership in the product made by labor, capital, and management; (3) fed their members chiefly on socialistic and un-American literature; (4) approved the policy of making work; (5) based their whole action on the principle of a monopoly of the labor supply.

The result has been (1) a series of acts which have shocked the civilized world; (2) a growth of unwise and brutal leaders, demanded by the futile policy of an indefensible monopoly.

The time has come to appeal to public opinion for a raise in wages. In behalf of higher wages is submitted: (1) productivity or efficiency is the reason for higher wages; (2) this is the basis for urging an increase in wages as agreed to by all scientific investigators of the subject; (3) the labor supply can never be monopolized; let the workmen and unions adopt the principle of efficiency and

improve their work; (4) the sympathetic interdependence of laborer and employer must be recognized by each—it is essential to productivity; (5) the employer must recognize this principle of pay for efficiency or fail in the sharp competition. The man at the bottom of the ladder needs tolerance and help in seeing the true bearings of this question, as much as he needs higher wages.—J. Lawrence Laughlin in *Journal of Political Economy*, March, 1906. S. E. W. B.

The Social Question: A Plea for More Scientific Methods.—The plea would include: (1) a greater agitation against the number of licensed houses in the slum district; (2) a closer supervision of the public houses; (3) a more careful examination of the quality of the drink they sell; (4) thorough organization of the charities to examine minutely the circumstances of those asking aid; (5) education of the people in the elements of citizenship; (6) mental and moral training to appreciate improved conditions by means of women and men who understand the peculiarities of those in the slums who are taught.

The great need is to relieve the monotony of their lives. They are bad in economic conditions, worse in morals, horrible in mental life. Neither contact with nature nor literature and art relieves the monotony of their lives. However, they are not hopeless.—Robert Gunn Davis, in *Westminster Review*, March, 1906. S. E. W. B.